POINT FOUNDATION
COMPARATIVE FINANCIAL STATEMENTS
For the Years Ended December 31,1988 & 1987

VINCENT+ROSE INC.
CERTIFIED
PUBLIC ACCOUNTANTS

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Ronald Vincent, CPA
Thomas Rose, CPA

VINCENT+ROSE INC.
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The Board of Directors
Point Foundation
Sausalito, California

We have compiled the accompanying comparative balance sheet of Point Foundation as of December 31, 1988 and 1987, and the related statement of revenue, expense and fund balance, and the statement of cash flows for the years then ended in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Foundation's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Vincent + Rose Inc.

Berkeley, California
October 25, 1989

POINT FOUNDATION
BALANCE SHEET
December 31

	1988	1987
ASSETS		
Current Assets:		
Cash	$ 43,904	$ 104,548
Certificate of Deposit	-0-	30,000
Accounts Receivable		
Publications - Net	30,972	23,857
Mailing Lists	6,476	7,829
Other	8,369	6,628
Inventories - Net	1,575	1,575
Total Current Assets	$ 91,296	$ 174,437
Furniture & Equipment:		
Furniture & Equipment	$ 159,085	$ 144,333
Less Accumulated Depreciation	(114,521)	(114,718)
Net Furniture & Equipment	$ 44,564	$ 29,615
Other Assets	$ 14,825	$ 14,825
TOTAL ASSETS	$ 150,685	$ 218,877
LIABILITIES AND FUND DEFICIT		
Current Liabilities:		
Accounts Payable	$ 33,015	$ 25,204
Accrued Liabilities	5,061	3,957
Advance from the WELL	2,996	5,396
Note Payable	-0-	10,000
Current Portion of Capital Lease Obligation	3,580	4,274
Deferred Subscription Revenue	398,242	377,573
Total Current Liabilities	$ 442,894	$ 426,404
Long-Term Liabilities:		
Note Payable	$ 20,000	$ 20,000
Long-Term Portion of Capital Lease Obligation	15,028	18,609
	$ 35,028	$ 38,609
Fund Deficit	$(327,237)	$(246,136)
TOTAL LIABILITIES AND FUND DEFICIT	$ 150,685	$ 218,877

See Accountant's Compilation Report

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POINT FOUNDATION
STATEMENT OF REVENUE, EXPENSE, & FUND BALANCE
Year Ended December 31

	1988			1987
	Revenue Received	Related Direct Costs	Net Revenue Contributing To Expenses	Net Revenue Contributing To Expenses
REVENUE & RELATED DIRECT COSTS:				
Publication	$ 551,540	$ 520,023	$ 31,517	$ 88,333
Signal Book	73,374	65,232	8,142	-0-
Fringes Book	65,147	54,533	10,614	-0-
CD-ROM Project	100,380	131,299	(30,919)	-0-
Apple Project	50,000	25,072	24,928	35,075
Public Support	32,486	-0-	32,486	35,649
Mailing List Sales	16,293	2,725	13,568	19,480
All Other	5,129	1,067	4,062	10,999
TOTAL	$ 894,349	$ 799,951	$ 94,398	$ 189,536
GENERAL & ADMINISTRATIVE EXPENSES:				
Salaries & Related Costs			$ 49,873	$ 42,334
Rent			37,658	34,679
Grants			19,750	18,740
Depreciation			19,536	18,999
Telephone & Utilities			13,794	12,700
Postage			11,244	7,305
Maintenance, Repairs & Rentals			7,986	7,187
Office & Computer Supplies			5,780	5,229
Legal, Professional & Copyright			3,887	5,776
Interest			2,783	1,300
Insurance			1,715	3,039
Taxes			1,498	2,069
Bank Service Fees			1,346	3,673
Research Materials			-0-	2,172
Bad Debt			-0-	740
Travel, Entertainment & Promotion			-0-	713
Outside Production Services			-0-	395
Communication & Network Expense			-0-	381
Miscellaneous			2,249	4,232
Reimbursed Expenses - THE WELL			(3,600)	(4,050)
TOTAL EXPENSES			$ 175,499	$ 167,613
EXCESS OF REVENUE OVER EXPENSES			$ (81,101)	$ 21,923
FUND BALANCE				
Beginning Fund Balance			(246,136)	(268,059)
ENDING FUND BALANCE			$(327,237)	$(246,136)

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POINT FOUNDATION
STATEMENT OF CASH FLOWS
December 31

	1988	1987
ASH FLOWS FROM OPERATING ACTIVITIES:		
xcess of Revenue Over Expense	$ (81,101)	$ 21,923
on-Cash Revenue and Expense Adjustments:		
Depreciation Expense	$ 19,536	$ 18,999
Loss on Sale of Assets	972	1,048
Decrease in Other Assets	-0-	(1,531)
Decrease (Increase) in Accounts Receivable	(7,503)	2,001
Decrease in Inventory	-0-	2,678
Increase (Decrease) in Accounts Payable	7,811	(13,932)
Increase (Decrease) in Accrued Liabilities	1,104	(48,723)
Increase in Deferred Subscription Liability	20,669	102,403
Total Adjustments	$ 42,589	$ 62,943
Net Cash Provided (Used) By Operating Activities	$ (38,512)	$ 84,866
ASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Sale of Assets	$ 95	$ 819
Purchases of Fixed Assets	(35,552)	(22,602)
Net Cash Used by Investing Activities	$ (35,457)	$ (21,783)
ASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowing on Notes	$ -0-	$ 30,000
Acquire Lease Obligation	-0-	21,457
Paydown on Notes	(10,000)	-0-
Paydown on Capital Lease	(4,275)	(7,560)
Paydown on Advance from THE WELL	(2,400)	(2,688)
Net Cash Provided (Used) By Financing Activities	$ (16,675)	$ 41,209
NET INCREASE (DECREASE) IN CASH	$ (90,644)	$ 104,292
Cash at Beginning of Year	134,548	30,256
Cash at End of Year	$ 43,904	$ 134,548

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